

## State of Utah

## Department of Natural Resources

MICHAEL R. STYLER Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA Division Director JON M. HUNTSMAN, JR. Governor

GARY R. HERBERT Lieutenant Governor

July 21, 2006

CERTIFIED RETURN RECEIPT 7004 2510 0004 1824 4950

Brad Wilson Far West Bank Commercial Lending 201 E Center Street Provo, Utah 84606

Subject: Division Intent to Present Letter of Credit Sight Draft in the Form of Exhibit A,

Number 'Bryce Haas, B & C Limestone Quarry, M/039/013, Sanpete

County, Utah

Dear Mr. Wilson:

On May 30, 2006 the Division received a notice from Far West Bank electing not to renew the Letter of Credit number in the amount of \$36,000.00. The operator, Bryce Haas, has been given sixty (60) days to replace this letter of credit, and to date, the replacement has not occurred. If Mr. Haas does not replace this letter of credit with another form of reclamation surety by July 30, 2006, the Division intends to call on Letter of Credit number 15413040 in the amount of \$36,000.00.

If you have specific questions or require discussion regarding the content of this letter, please contact Minerals Surety Coordinator, Beth Ericksen at (801) 538-5318 or myself (801) 538-5258.

Sincerely,

Susan M. White

Mine Program Coordinator
Minerals Regulatory Program

Faddock

SMW:BE:be

cc: Steve Alder, State Attorney General Office

John Baza, DOGM Mary Ann Wright, DOGM Susan White, DOGM Daron Haddock, DOGM Beth Ericksen. DOGM

P:\GROUPS\MINERALS\WP\M039-Sanpete\m0390013-BandCLimestone\draft\Divisionintenttobank.doc